Fathom Nickel Inc.

FATHOM ANNOUNCES IDENTIFICATION OF NEW ZONES OF CONDUCTIVITY ALONG STRIKE NORTHEAST AND SOUTHWEST OF THE HISTORIC GOCHAGER LAKE DEPOSIT

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S. SECURITIES LAWS

Calgary, Alberta – July 25, 2023 – Fathom Nickel Inc. (the "**Company**" or "**Fathom**") (CSE:FNI), (FSE:6Q5), (OTCQB:FNICF) is pleased to provide an update on recently completed surface time domain electromagnetic (TDEM) and borehole electromagnetic (BHEM) geophysical programs at its Gochager Lake Project.

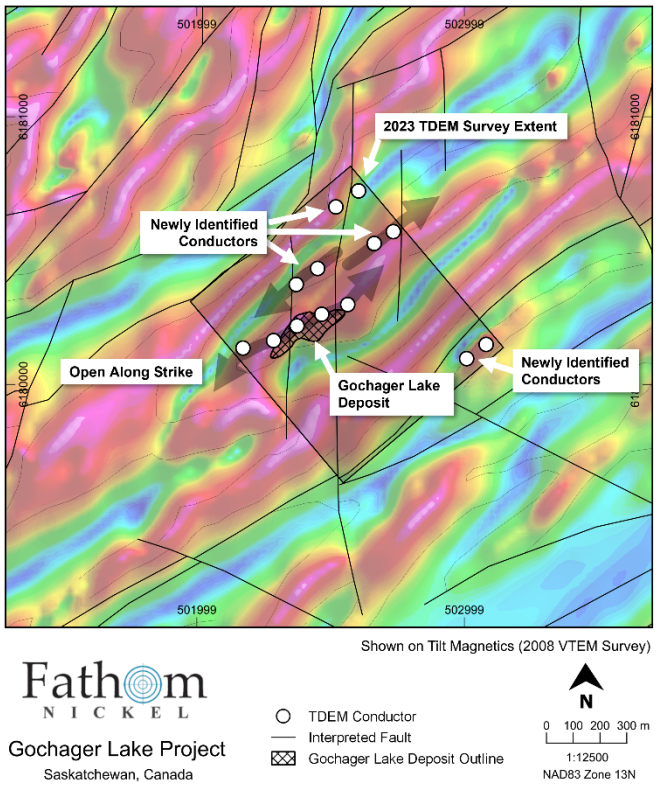
Geophysical surveys completed include a second phase of borehole electromagnetic (BHEM) surveys (see Press Release June 28, 2023) and a surface time domain electromagnetic (TDEM) survey over the area of, and along strike of the historic Gochager Lake deposit.

TDEM and BHEM highlights include:

- The TDEM survey covered approximately 1km^2 and defined a moderate-strength zone of conductivity directly over top of the historic Gochager Lake deposit.[1] This conductive trend extends both to the SW and to the NE of the deposit area.
- In addition, newly identified zones of conductivity occur to the north, north-northeast, and east-southeast of the Gochager Lake deposit area.
- Internal lithostructural interpretation of the 2008 VTEM survey recognizes the Gochager Lake deposit occurs on the axis of a major fold. The hinge zone of the fold occurs immediately to the southwest of the Gochager Lake deposit.
- Directly along strike of the Gochager Lake deposit and on the interpreted fold axis, a moderate strength, untested VTEM anomaly occurs, and the TDEM survey confirms the untested VTEM anomaly is very "Gochager-like" (see Figure 1).
- The second phase of BHEM surveys utilized multiple loop configurations to change coupling angles for each hole surveyed and to ultimately better image the conductivity zones recognized in the first phase of BHEM. Both BHEM programs have identified at least 4 separate conductive zones in the area of Fathom's Q1-2023 drilling, with several lying outside the historical Gochager Lake deposit.

Ian Fraser, CEO and VP Exploration stated, *"We are extremely pleased with the results of the surface TDEM survey. It was a very important exercise for us to recognize, define and understand the EM signature associated with the historic Gochager Lake deposit. We now have a very good understanding of the surface signal and the geophysical setting of the deposit. We are very encouraged to see that this signal extends along strike and to see similar occurrences elsewhere in proximity to the deposit. Recognizing the structural setting and a similar VTEM / TDEM anomaly further along strike and aligning with an interpreted fold axis makes the area northeast of the Gochager deposit very prospective and a high priority target area for future exploration efforts. Now knowing that high-grade nickel defined in our drillhole GL23003 occurs in association with very strong in-hole and off-hole BHEM conductivity signals, yet below a moderate strength TDEM surface expression, has us very intrigued and excited about numerous other similar features (Gochager look-a-likes) that we see in the historic 2008 VTEM data set".*

Figure 1 – TDEM Conductor Maps



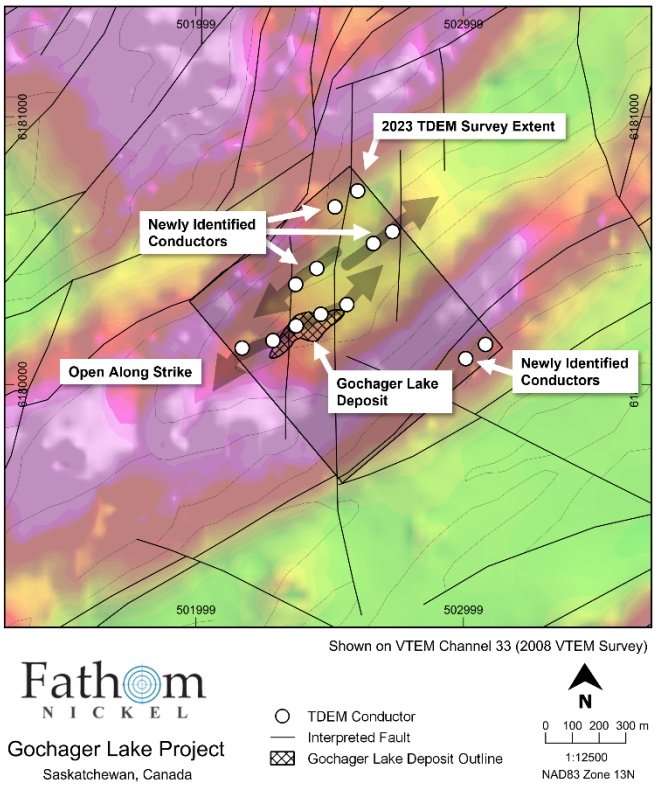
Shown on Tilt Magnetics (2008 VTEM Survey)

Fathom NICKEL

Gochager Lake Project
Saskatchewan, Canada

TDEM Conductor
Interpreted Fault
Gochager Lake Deposit Outline

N
0 100 200 300 m
1:12500
NAD83 Zone 13N



Shown on VTEM Channel 33 (2008 VTEM Survey)

Fathom NICKEL

Gochager Lake Project
Saskatchewan, Canada

TDEM Conductor
Interpreted Fault
Gochager Lake Deposit Outline

N
0 100 200 300 m
1:12500
NAD83 Zone 13N

Figure 1 Notes:

- The Tilt Derivative is a mathematical function routinely applied to Magnetic Field Data to preferentially enhance weaker magnetic signals to map textures, structures, and edge contacts of magnetic sources.
- VTEM Channel 33, is a late time Versatile Time Domain Electromagnetic (VTEM) channel gridded image. Within airborne datasets, we look at later time channels to find the higher conductance sources.

The TDEM survey was conducted over five 100-meter spaced lines immediately proximal to the Gochager deposit, plus two additional 100-meter spaced lines northeast of the Gochager deposit. The Company recognizes that the TDEM profile overtop of the Gochager deposit is a moderate strength conductor and has a shape indicative of a steeply oriented conductive body or bodies. In contrast, the BHEM results from all holes probed to date indicate strong to very strong in-hole and off-hole conductivity responses. BHEM responses are consistent with multiple conductive zones with steeply oriented geometries, and several of the off-hole conductive zones lie outside of the historic drilling envelope at the Gochager Lake deposit.

BHEM interpretation is ongoing and finalized 3D imaging and modelling will be instrumental in the drill targeting process as we look forward to the August drill program at the Gochager Lake project. The TDEM survey has highlighted drill targets outside of the Gochager Lake deposit area that the Company also looks forward to drill testing.

Grant of Options to Key Company Consultants

Pursuant to its stock option plan and the policies of the Canadian Stock Exchange, the Company has granted incentive stock options to certain key consultants of the Company for the right to purchase up to an aggregate of 535,000 common shares of the Company, exercisable at a price of $0.265 per share for a period of 60 months.

Qualified Person and Data Verification

Ian Fraser, P.Geo., CEO, VP Exploration, and a Director of the Company and the "qualified person" as such term is defined by National Instrument 43-101, has verified the data disclosed in this news release, and has otherwise reviewed and approved the technical information in this news release on behalf of the Company.

About Fathom Nickel Inc.

Fathom is an exploration company that is targeting magmatic nickel sulphide discoveries to support the rapidly growing global electric vehicle market.

The Company now has a portfolio of two high-quality exploration projects located in the prolific Trans Hudson Corridor in Saskatchewan: 1) the **Albert Lake Project**, a 90,000+ hectare project that was host to the historic and past producing Rottenstone deposit (produced high-grade Ni-Cu+PGE, 1965-1969), and 2) the 22,000+ hectare **Gochager Lake Project** that is host to a historic, NI43-101 non-compliant open pit resource consisting of 4.3M tons at 0.295% Ni and 0.081% Cu[1].

1 – The Saskatchewan Mineral Deposit Index (SMID#0880) reports drill indicated reserves at the historic Gochager Lake Deposit of 4,262,400 tons grading 0.295% Ni and 0.081% Cu mineable by open pit. Fathom cannot confirm the resource estimate, nor the parameters and methods used to prepare the reserve estimate. The estimate is not considered NI43-101 compliant and further work is required to verify this historical drill indicated reserve.

ON BEHALF OF THE BOARD

Ian Fraser, Chief Executive Officer and Vice-President, Exploration
1-403-650-9760
Email: ifraser@fathomnickel.com

or

Doug Porter, President & CFO
+1-403-870-4349
Email: dporter@fathomnickel.com

Forward Looking Statements:

This news release contains "forward-looking statements" that are based on expectations, estimates, projections and interpretations as at the date of this news release. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "seek", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur, and include, without limitation, statements regarding intended future exploration work, including drilling, and the timing of such activities. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances except in accordance with applicable securities laws. Actual events or results could differ materially from the Company's expectations or projections.